THE NAPLES FORUM ON SERVICE: TEN YEARS EDITION

The Naples Forum on Service has reached its ten years edition and, after the success of its past experiences (see www.naplesforumonservice.it) is about to start its organization with inspiring scientific premises and great expectations for it to be the best edition ever organized. For the 2019 Forum, we continue moving our locations around the gulf of Naples and come back to Ischia in an elegant and fascinating venue.

The Naples Forum is an effort to keep developing service research and theory, and in particular S-D logic, Systems Theory and Service Science and connect research fragments in the direction of grand theory. This is a long- term challenge. The community will open up constructive win/win dialogs among service researchers and restrain destructive win/lose debates. With their open codes, S-D logic and Service Science invite a dialog by stressing the need to synthesize research fragments and the mass of free-wheeling categories, concepts, terms and empirical studies into a grand view. Service systems are enormously complex – it is not sufficient to study the relationship between just a few variables. The new millennium brought with it openings to address complexity and take a more systemic view. A major challenge comes from the digital transformation and the opportunities arising from cognitive technologies (Mele, Russo Spena and Peschiera, 2018, Russo Spena and Mele, 2018). The recognition of complexity is emerging – but it takes time and effort. Service research got under way 40 years ago and it is only now that we are beginning to sense the full picture of our economies as complex networks of service systems with a mission to enhance value for consumers, citizens, businesses and society as a whole. The following sections offer brief reviews of the characteristics of the 3 Pillars ending with reference to some recent publications on each of them.

Service Dominant (S-D) logic

The most critical change proposed by S-D logic focus on the shift from goods/services differences to goods/service interdependencies, and marketing activity is best understood in terms of service-for-service exchanges rather than goods-for-goods or goods-for-money. Originally described through 10 foundational premises, later synthesized into 5 axioms, S-D logic represents a meta-theoretical framework with a straightforward narrative: resource-integrating actors involved in reciprocal service exchange coordinated by institutions and institutional arrangements in service ecosystems involved in value co-creation. Service is the fundamental basis of exchange (axiom 1) and goods are merely distribution mechanisms of service. Both businesses and customers are operant (active) resources as opposed to the mainstream marketing and economics idea that suppliers do things to customers who are just reactive or passive (operand resources). A service provider can only offer a value proposition to the market; the beneficiaries is always a co-creator of value (axiom 2), whereas value actualization rests with users in an idiosyncratic and contextual way (axiom 4). The network aspect is implicit through the statement that all social and economic actors are co-creators and resource integrators (axiom 3), implying that value creation takes place through interaction in complex networks and systems. The ultimate goal and future advances in S-D logic could provide an understanding of value co-creation extends beyond a general theory of the market to inform economics and other business, as well as other, non-business disciplines dealing with value co-creation.

Steve Vargo, who designed S-D logic altogether with his friend and colleague Bob Lusch, keeps developing it and treats it as an open code where everyone is welcome to make constructive contributions. The community has recently published The SAGE Handbook of Service Dominant Logic.

Service Science

Service Science is a call for academia, industry, and governments to become more systemic about service performance and innovation. The ultimate goal of Service Science is to apply scientific knowledge to the design and improvements of service systems for business and societal purposes.

Rapid technological change, natural disasters, and human migration are just three examples of a wide range of complex urgent challenges confronting today's services systems, from individuals to businesses to cities and even nations. Every service system is both a provider and client of service that is connected by value propositions in value-creating networks.

The global Service Science community has been recently further galvanized by the release of the Handbook of Service Science, Volume 2 (Springer). The book's chapters reflect the multidisciplinary, open-source program based on computer science, industrial engineering, organizational theory, business strategy and more, including the humanities, and its community is rapidly growing. Service science is based on a Service-Dominant logic world view, and service system entities are resource integrators. Service science is an emerging discipline that studies the evolving ecology of service system entities, their capabilities, constraints, rights, and responsibilities, including their value co-creation and capability co-elevation mechanisms. Service systems are defined as dynamic configurations of resources (people, technology, organizations, information) interconnected by value propositions. All service system entities have a focal resource, which is a person with rights and responsibilities. Service Science studies complex service systems and its growing community is embracing various other cultural communities such as Service Science, Management Engineering and Design (SSMED), Artificial Intelligence (AI) and experts in Applied Human Factors and Ergonomics (AHFE), Human-Side of Service Engineering (HSSE), Hawaiian International Conference on Systems Sciences (HICSS), the International Society of Service Innovation Professionals (ISSIP) and others, in order to capture the powerful insights and the essence of service in technological setting and in today life. The Naples Forum on Service is also an important conference for the service science community, and the seeds of future chapters in coming volumes of the Handbook of Service Science originate at the Forum.

Systems Theory and Complexity

The words complexity, networks and systems pinpoint the same phenomena. Complexity is derived from the Latin verb complecti, meaning "to twine together" and the noun complexus means "network". The word "system" is derived from the Greek systema, meaning "a whole composed of many parts". So the meanings of the three words overlap and expose their interdependency. From these words different traditions have sprung up. Network theory and systems theory offer both a way of thinking in relationships and interaction and techniques to address complexity and context. These are part of complexity theory where many others, for example, chaos theory, fractal geometry and autopoiesis (self-organizing systems) belong. Complexity theory exists both in social sciences, natural sciences and technology but is not utilized efficiently by management disciplines.

Network theory has primarily offered a systemic approach for B2B but has equal potential for B2C/C2B (business-to-consumer/consumer-to-business). Many-to-Many Marketing is a general approach that describes, analyzes and utilizes the network properties of marketing and recognizes that both suppliers and customers operate in complex network contexts. The Viable Systems Approach (VSA) is a systems theory-based application for management. It postulates that every business is a system, nested in a relational context where it is looking for competitive profiles (viability) through interaction with other actors/stakeholders. Its theory proposes a new representation of the behavioral approach to business and relational interactions with its context. In practice it is a methodological proposal that enables a better understanding of business models, supporting decision making in complex context.

Networks, complexity and systems thinking are integral parts of both S-D logic and Service Science.

Developing Paradigm 3 through Naples Forum Publications

The event aims to merge Nordic and Mediterranean research traditions and philosophy within an international and global format. The program and the venue open up for personal engagement, interaction and shared value experiences. The Naples Forum on Service is 'a community of practice where people convey a sense of belonging by engaging in doing things together, talking, producing

artifacts' (Gummesson, Mele and Polese, 2016). Yet the Forum is more than a community of practice, as it fosters the 'practices of a community' (Gherardi, 2009). The focus moves from the community, to the practices the people performs; such shift from 'community of practice' to 'practices of a community' states a change of perspective and epistemology (Mele, Russo Spena and Nuutinen, 2016). The Forum community fosters a situated learning enabled by interacting and co-creating when the event is 'on stage', and this co-creation continues thanks to the scientific production related to the Naples Forum on Service. Within the 3 Pillars lots of activities including extensive publishing takes place. Vargo has been involved in over 50 articles and 20 book chapters, edited several Special Issues of journals, and spoken continually at conferences, universities and business firms around the world. A new book, edited in 2018 by Steve Vargo, has recently gathered numerous contributions from the service community to describe SD logic advances and future directions. Jim Spohrer and his colleagues, together with Forum participants publish continuously on Service Science, including three recent books, and the Service Science Handbook (IInd edition). Network and systems theory are increasingly integrated with the two other pillars and are the lead theme for several authors, not least from Italian researchers, the Nordic School and the IMP Group. The Naples Forum stimulates service research, communicates it and speeds up its progress. The Forum supports the efforts of the participants to publish by co-authoring with other participants and adopt presented papers to articles in journals of their own choice and in special Forum issues. As a result of past edition of the forum more than 100 articles were published in 13 journal special issues of among the others, *Journal of Service Management*, *Marketing Theory*, *Journal of Service Theory and Practice, Service Science and Journal of Marketing Management*.

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